DOCUMENT RESUME

ED 076 288 80 RC 006 983

TITLE	Appalachia Education for Tomorrow. Summary and Recommendations. A Report to the Appalachian Regional Commission from the Education Advisory Committee. Report 1.
INSTITUTION	Appalachian Regional Commission, Washington, D.C.
SPONS AGENCY	Office of Education (DHEW), Washington, D.C.
PUB DATE	Mar 71
NOTE	55p.
EDRS PRICE	MF-$0.65 HC-$3.29
DESCRIPTORS	*Early Childhood Education; Economic Factors; *Education; *Federal Programs; Human Development; Needs; *Regional Planning; *Rural Areas; Vocational Education; Work Experience
IDENTIFIERS	*Appalachia

ABSTRACT

Educational funding problems in Appalachian school districts were described in this report. Thirty-five recommendations were made in the areas of planning, regional education service agencies, early childhood education, and educational manpower. Federal education programs and their potential effect on the region were examined. Federal education issues were divided into 3 categories: inequity of Federal distribution of funds, penalizing Appalachian regional education; program coordination; and Administration and Congressional proposals which affect the region. Additional information about the Appalachian Education Advisory Committee was also presented. (PS)

ED 076288

U.S. DEPARTMENT OF HEALTH
EDUCATION & WELFARE
OFFICE OF EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL OFFICE OF EDUCATION POSITION OR POLICY.

RECEIVED
JUN 22 1973
ERIC

APPALACHIA EDUCATION FOR TOMORROW

SUMMARY AND RECOMMENDATIONS

FILMED FROM BEST AVAILABLE COPY

ED 076288

EDUCATION ADVISORY COMMITTEE

THE APPALACHIAN REGIONAL COMMISSION

REPORT I

SUMMARY AND RECOMMENDATIONS OF THE EDUCATION ADVISORY COMMITTEE TO THE APPALACHIAN REGIONAL COMMISSION

The Appalachian Regional Commission
1666 Connecticut Avenue, N.W.
Washington, D.C. 20235

March 1971

The work of the Appalachian Education Advisory Committee as reflected in this report was financed in part by a grant from the U.S. Office of Education, Department of Health, Education and Welfare under Section 505, Title V, of the Elementary and Secondary Education Act of 1965 (P.L. 90-247), Special Project entitled: "Comprehensive Planning for the Improvement of Education in Appalachia."

CONTENTS

TASK OF THE COMMITTEE ii
FOREWORD iii
LETTER OF TRANSMITTAL vii
LETTER OF ACCEPTANCE ix
PROGRESS TO DATE xii
LIST OF COMMITTEE MEMBERS,STAFF AND CONSULTANTS xv

SUMMARY AND RECOMMENDATIONS 1
THE PROBLEM 1
RECOMMENDATIONS 3
PLANNING 6
REGIONAL EDUCATION SERVICE AGENCIES 8
EARLY CHILDHOOD EDUCATION PROGRAMS 9
CAREER ORIENTATION AND WORK EXPERIENCE . 10
OCCUPATIONAL EDUCATION 11
EDUCATIONAL MANPOWER 12
SUMMARY 15
FEDERAL PROGRAM RECOMMENDATIONS 18

APPENDIX 30

TASK OF THE COMMITTEE

The Appalachian Regional Commission (ARC) Code, Resolution #90, Section 2-8, November 10, 1966, charges the Education Advisory Committee (EAC) with the following responsibilities.

"To provide, on a continuing basis, advice and guidance to the Commission on matters pertaining to education which affect the development of the Appalachian region. The Advisory Committee shall initially be concerned with an evaluation of the quantity and quality of education at all levels within the Appalachian region, with intraregional comparisons as well as comparison with the nation as a whole, measured in terms of financing, qualifications of instructors, curricula, availability of facilities, achievements of students and relevance to emerging requirements. Such evaluation shall include an appraisal of the various Federal aid to education programs as they are being implemented in the region. The Committee shall submit a report, with such recommendations as it deems appropriate, to the Commission no later than six months after its first meeting." (Res. 90)

FOREWORD

The Congress declared it the policy of the United States to develop the economy of the Appalachian region by enacting the Appalachian Regional Development Act of 1965. This region includes portions of Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia and all of West Virginia—approximately 18 million people.

The Act created a unique State-Federal organization for regional development, the Appalachian Regional Commission. It is composed of thirteen member Governors and a Federal Co-Chairman appointed by the President. Each State has prepared a development plan for approval by the entire Commission. This plan is revised annually and supplemented by a "project package" relating the use of Commission funds to the overall development strategy. The Commission has provided planning assistance and funds to each State through the Office of the Governor and is currently supporting the development of multicounty local development districts.

Based on these plans the Appalachian Regional Commission has made a series of key investments in the region's economy. These include programs for a developmental highway system, natural resource development, housing, demonstration health programs and a series of related capital investments in vocational, higher and public school education aimed at increasing other Federal investments in the region. Many of these investments have had significant effect.

In order to develop the region's human resources the Commission founded a Health Advisory Committee to advise it on the development of a major health demonstration program covering all phases of health services. Its purpose was to develop ways to provide at a lower cost in rural areas the range and depth of health services available to a wealthy urban resident.

In recognition of additional needs for human development the Commission established an Educational Advisory Committee which met for the first time on February 22, 1967. This Committee, composed of an equal number of Governor's and Federal appointees, was charged with:

1. Evaluating the region's educational system.
2. Making recommendations to improve existing ARC investment in occupational education and supplemental funding for construction and equipment.

3. Proposing to the ARC new programs or procedures for all levels of government to improve the region's educational capabilities.

COMMITTEE REPORTS AND ACCOMPLISHMENTS

The Committee has issued two reports. The first was an interim report in January of 1968, describing progress and conditions in regional education systems. The second was a research report in December of 1968, providing an analysis of vocational education in the region, based on 1966 data, the most recent available.[1]

This last report pointed out serious deficiencies in the secondary vocational system of the region; i.e., over 50 percent of the region's vocational training was in traditional and declining occupational areas. In the Appalachian portion of one State alone, 67 percent of the expenditures were for what would be 4 percent of the jobs in the area by 1975.

The report recommended concentration on upgrading the vocational capabilities of the secondary schools. It is a tribute to the ARC that it adopted not only this recommendation but a unique manpower policy. This stipulates that all area vocational or technical schools qualifying for ARC funds would have to provide courses in terms of local, subregional or national projected manpower needs.

The current Report V, Occupational Manpower Needs, provides a more recent (1969), detailed evaluation of the impact of ARC investment on the region's training capabilities. In two years considerable gains have been made. Of the 210 schools funded in the last four years, already over half are open. The ARC investment of $72,000,000 has stimulated a total local, State and Federal investment of over $250,000,000.[2] Over two-thirds of this was at the high school level and has resulted in a 50-percent increase in job-relevant training opportunities in the region. This is 110,000 new job-relevant training positions.

1/ Appalachian Regional Commission, Education Advisory Committee, The Status of Secondary Vocational Education in Appalachia, Research Report No. 10 (Washington, D.C.: Appalachian Regional Commission, 1968).

2/ Through Fiscal 1969, ARC funds represent 30 percent of total.

COOPERATION TO IMPROVE EDUCATION

The Education Advisory Committee has not only served in an advisory capacity. Its members have worked on a continuing basis on behalf of the region. The Federal members have worked in their agencies to ensure that increased attention be given to rural education problems, particularly in Appalachia. They have invited ARC staff participation in program policy formulation and have provided invaluable information and assistance for the development of new educational programs in Appalachia.

It is the philosophy of the Commission to base its work on regional, State and local planning, development and cooperation. The Education Advisory Committee has carefully developed this theme.

The Committee felt that time should be taken to prepare a mechanism to ensure State and local participation in present and future ARC education affairs. Through its State members a number of committees have been formed to assist the Governors' offices in creating better coordination and advice from the educational community. The contents of these reports reflect local and State planning ideas and needs. The accompanying recommendations were designed from the local district up to the ARC. They are tailored to accommodate local needs, rather than the reverse.

There are at this writing six State committees serving on a volunteer basis and chaired by the Governors' appointees to the EAC. Others are being formed. There are also a number of advisory committees supporting local development districts for program and project development. All are due thanks for their participation in the development of the accompanying reports. Even though this mode of development takes longer, the quality of the accomplishments of the ARC in education and of these reports has been greatly improved by these contributions.

Special mention should be made of the Maryland State Committee, which has met monthly since 1967. It has assisted the Governor in the development of innovative uses of existing ARC programs. The committee has generated a series of regional projects involving other State and Federal funds that serve as a model of cooperative development for both the region and the State.

For example, an alliance was created between the junior colleges and the school districts to train and use educational aides. Initially, since no Federal funds were available, State and local funds were used.

School district, Federal and local funds were reallocated to hire the aides and train local teachers to use them. Combinations of Vocational Education Act of 1963, Manpower Development Training Act, ARC and local funds have been used to build and operate an early childhood demonstration center for 3-, 4-, and 5-year olds which also serves to train teachers and aides.

EDUCATIONAL PRIORITIES

At its November 1968 meeting the ARC formally adopted educational priorities recommended by the Education Advisory Committee. The accompanying recommendations reflect these priorities and are intended to be a single package for implementation. They include:

1. Establishment of formal **Long Range Development Planning activities** for education within each Appalachian State to:[1]
2. Promote the development of **Regional Education Agencies** so that:
3. **Occupational Education** can be conducted most efficiently and:
4. Curricula to provide the Appalachian child with **Career Orientation and Work Experience** can be developed; and:
5. Child Development programs and **Early Childhood** centers can be established and operated and:
6. The **Educational Manpower** of the region can be improved through preservice and in-service education of teachers, not only in general but more particularly in support of the above recommended priorities.

Each priority recommendation has been developed through cooperative planning committees with members from each of the thirteen States. These groups met frequently and were involved in the design of the accompanying recommendations.

1/ Planning has long been a concern of ARC education efforts. As early as August 1967, Dr. Rose, the Committee Chairman, testified before the Senate Committee on Labor and Public Welfare in support of ESEA Title V amendments to provide funds for State Education Agency Planning.

APPALACHIAN EDUCATION ADVISORY COMMITTEE
1666 Connecticut Avenue
Washington, D.C. 20235

November 17, 1969

To the Appalachian Regional Commission:

We have the honor to submit to you the reports and recommendations of the Appalachian Education Advisory Committee for consideration by the Appalachian Regional Commission (ARC). This is in response to your instructions to the Advisory Committee as given in the Commission's Resolution #90, Section 2-8 of the ARC Code, of November 10, 1966.

These reports summarize work done and define proposed programs recommended to be undertaken within the six priorities adopted by the Appalachian Regional Commission in November of 1968. Program priorities are child-development/early childhood education; occupational information and work orientation; and occupational training. Support priorities are educational developmental planning, educational manpower and the establishment of regional education service agencies.

The recommendations include a coordinated series of programs to establish and support State educational developmental planning capabilities and to develop model systems of support for the other priorities within a regional education service agency program. One regional agency would be selected by each State in its Appalachian portion for development.

Planning funds are recommended for educational manpower, as well as funds for administration and development of State and regional educational data systems. Recommendations include adding higher education institutions in the regional education service agencies to provide technical assistance and school staff development services.

Recommendations are also made to establish two preservice education demonstration centers to prepare programs to train educational staff necessary for priority support. One regional education service agency would be funded to develop a regional and national program model for occupational information and work orientation.

The Education Advisory Committee recommends that both basic support for vocational education and supplemental grant programs be continued until 1975 with some slight changes in focus, and that building and operating authorities be sought for child development centers.

In reviewing these proposals with State Committees in several States at least two committees suggested that additional school building assistance might be sought for the region.

While it is understood that 1970 and 1971 Appalachian Regional Development Act funds are limited, it is recommended that the ARC begin on these programs as soon as possible. The Committee felt that the problems these recommendations address are too critical to be ignored. It recommends that either the ARC or its successor seek new authorities for 1972 and beyond so that a well-articulated and sequential set of programs can be developed to a point where the States themselves can assume financial responsibility. What is outlined is a five-year effort. Anything short of this would not permit fruition of these recommendations and the resulting benefits to Appalachian children and the regional economy.

Frank Rose
Chairman, Appalachian Education
Advisory Committee

THE APPALACHIAN REGIONAL COMMISSION
1666 Connecticut Avenue
Washington, D.C. 20235

June 3, 1970

Dr. Frank Rose
Chairman, Appalachian Education
Advisory Committee
Appalachian Regional Commission
1666 Connecticut Avenue, N.W.
Washington, D.C. 20235

Dear Dr. Rose:

We hereby gratefully accept the reports of the Appalachian Education Advisory Committee and wish to express on behalf of all members of the Appalachian Regional Commission our sincere gratitude for the dedicated public service performed by all members of your Committee in preparing the comprehensive programs outlined in them.

As you know, in enacting the Appalachian Regional Development Act, Congress directed that this Commission should serve as a framework for a joint Federal and State attack upon Appalachia's common problems and needs.

In directing the Commission to prepare "comprehensive plans and programs" for the social and economic development of Appalachia, Congress placed heavy emphasis upon the need for improving educational opportunities for the people of Appalachia.

It was for this reason that the Commission on November 10, 1966, decided to establish the Appalachian Education Advisory Committee in order to assist the Commission in identifying the initial priorities in Appalachian education to which the Commission should address its attention.

You and your predecessor as Chairman, Dr. Vernon Alden, formerly President of Ohio University, together with all members of the Committee, worked long hours in developing the six initial educational priorities for Appalachia.

Because of its direct relationship to plans for economic development, upon your suggestion, this Commission placed its first emphasis upon the upgrading of vocational and technical education in the region.

On your advice, the Commission adopted a precedent-breaking resolution which requires curricula in vocational and technical schools assisted with Appalachian funds to be tailored to expanding job opportunities in the region and in the nation. You had justifiably called our attention to the fact that about half of all the students in vocational education in Appalachia were being trained in vocational agriculture and home economics while many of the increasing manpower needs of the region were going unmet.

By March 1970, the Commission funded over 230 vocational and technical schools capable of training an additional 150,000 students in rapidly growing occupations. Within the coming year we expect to meet many of the physical needs for secondary vocational education in many of the States of Appalachia.

You can derive great satisfaction from knowing that this and the other five priorities were adopted by the Commission on November 12, 1968, and made part of its official policies and plans.

To implement your recommendations, the Commission set aside funds to initiate comprehensive child development programs in Appalachia.

Your Committee worked closely with the States in encouraging formulation of State Educational Advisory Committees. In 1970, the first pilot multijurisdictional programs for the sharing of school services were funded by the Commission.

Upon the initiative of your Committee, the Commission has completed a survey of teacher manpower problems. This survey will be used as the planning base for new efforts to solve teacher manpower problems in Appalachia.

With the assistance of the Education Advisory Committee, the Appalachian Regional Development Program has been able to evolve steadily a balanced investment program which concentrates upon people as well as upon the physical assets and resources of the region.

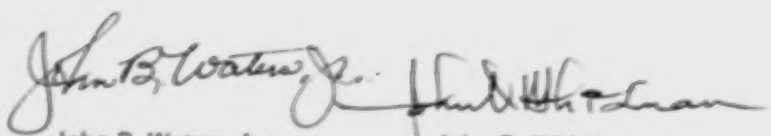
Heretofore, as you well know, American economic development programs have tended to focus on physical investments to the exclusion of investments in the health and skills of people. Yet the work of many economists in recent years indicates that almost half of the increased productivity in the United States since World War II has come from the upgrading of human health and skills rather than from investments in technology.

The legacy left to us by the work carried out under your chairmanship provides us with a foundation from which future regional educational efforts in Appalachia can evolve.

Hereafter, we can expect major concentration upon the educational needs of the people of the region and careful integration of an education program into the overall regional development effort.

For these contributions, the Commission is deeply indebted to all the members of your Committee and especially to the hard work of its Chairman. In addition, we commend the staff which served the Committee under the direction of Mr. Charles I. Foltz, for its excellent work.

We receive this report of the Committee with profound appreciation and are using its recommendations in the design of future education programs for the region.



John B. Waters, Jr.
Federal Cochairman

John D. Whisman
States' Regional Representative

PROGRESS TO DATE

In the year that has passed since the recommendations of the Education Advisory Committee were made, the Commission has proceeded in the following areas:

1. Regional Education Service Agencies (REAS):

   - At the present time there is one RESA operating with partial funding from the Commission in southwestern Virginia

   - Grants have been made by the Commission to plan 12 additional agencies

   - The total funds to be allocated during fiscal year 1971 for these grants and allied activity amount to about $1.3 million.

2. State Agency Long Range Comprehensive Planning:

   - This activity is included in the RESA planning. The States in which the regional education agencies exist are all involved with the demonstration planning.

3. Education Manpower:

   - As a result of the Commission's comprehensive study on teachers in Appalachia (Appalachian Research Report 12), the States have been provided with data and technical assistance necessary to plan and implement teacher manpower programs through local and regional education agencies

   - Through cooperation with the U.S. Office of Education, the Commission has helped to direct about $6 million in new funds into the Appalachian region.

4. Child Development and Early Childhood Education:

   - The Commission has helped organize State-level, multi-agency committees in most of the Appalachian States to plan and organize statewide programs for child development

- Several States have completed this process and are ready to implement demonstration child development projects in Appalachian communities

- Early childhood education demonstrations are a part of the planning of the regional education service agencies

- The ARC has developed a working liaison between the Appalachia Educational Laboratory, Office of Child Development, and other agencies in developing and promoting appropriate television programs for the region.

5. Vocational Education:

The Commission's activity in this area has continued under Sections 211 and 214 of the Appalachian Act. This is described in Appalachian Research Report 10 and in a more recent document prepared as an evaluation of the vocational activity of the Commission by Dr. Richard Powers.

Legislation proposed to the Congress for the extension of the Appalachian Act contains two of the recommendations of the Education Advisory Committee:

A. Authority under Section 211 would be broadened to permit the use of funds under this section for the operation as well as the construction and equipping of vocational facilities

B. Funds are authorized for planning, constructing, equipping and operating educational projects which will serve to demonstrate area-wide educational planning, services and programs.

6. Career Orientation and Work Experience:

This priority is being implemented by many of the regional education service agencies discussed above.

The recommendation for the development of a curriculum and its application on a demonstration basis is felt to be of concern to the nation as a whole and is not confined only to the Appalachian region. The Commission is, therefore, cooperating with others in the dissemination of information in research and materials for this priority.

The Education Advisory Committee's recommendation that a comprehensive manpower demonstration program be developed for the Appalachian region is being implemented. The Commission set aside funds during fiscal year 1970 and 1971 for innovative manpower demonstration programs, which are addressed to either the special manpower problems of rural areas or the training or retraining of coal miners. Several grants have been made under this category. A comprehensive study of the manpower problem in the coal industry is being initiated.

The Commission has funded the first phase of the development of a televised adult education program to prepare for taking the General Education Development (GED) test.

March, 1971

EDUCATION ADVISORY COMMITTEE
THE APPALACHIAN REGIONAL COMMISSION
1666 Connecticut Avenue
Washington, D.C. 20235

CHAIRMAN

Dr. Frank Rose
Chairman of the Board
General Computing Corporation
Formerly President, University of Alabama

APPALACHIAN GOVERNORS' APPOINTEES TO THE EDUCATION ADVISORY COMMITTEE

Alabama, Dr. James Rudolph Davidson, University of Alabama
Georgia, Dr. Jack P. Nix, Superintendent of Schools
Kentucky, Dr. Adron Doran, Morehead State University
Maryland, Mr. William M. Brish, Superintendent of Schools for Washington County
Mississippi, Mr. Harold T. White, President, Northeast Mississippi Junior College
New York, Mr. William B. Haessig, State Department of Education
North Carolina, Mr. Jerome Melton, Assistant Superintendent of Public Instruction
Ohio, Dr. Byrl Shoemaker, State Director of Vocational Education
Pennsylvania, Dr. B. Anton Hess, Commissioner for Basic Education
South Carolina, Dr. Joseph McCracken, Superintendent of Spartanburg City Schools
Tennessee, Mr. Ronald E. Brinkley, Deputy Commissioner of Education
Virginia, Dr. Dana B. Hamel, Director, Department of Community Colleges
West Virginia, Mr. John Himelrick, Assistant Superintendent for Administration

FEDERAL CO-CHAIRMAN'S APPOINTEES TO THE EDUCATION ADVISORY COMMITTEE

Mr. Phillip Arnow, (Ret.) Director, Office of Policy Development, U.S. Department of Labor
Mr. Henry Cunningham, Director of Civic Affairs, Kaiser Industries
Mr. David L. Francis, Chairman, Princess Coal, Inc.
Dr. Stanley Ikenberry, Dean, Department of Education, University of West Virginia

Miss Rosa McGhee, National Vice-President, American Federation of Teachers
Mrs. Delmas Miller, Follow Through Director, Monongalia County Schools, West Virginia
Dr. William Reeder, Professor of Rural Sociology, Cornell University
Miss Mary Robinson, Educational Advisor, Office of Economic Opportunity
Mr. Miles Stanley, President, West Virginia AFL-CIO
Rev. Philip H. Young, Board of National Missions of the United Presbyterian Church

MEMBERS OF THE EDUCATION STAFF:
(at the time of the report)
Mr. Charles I. Foltz, Executive Director
Dr. Eugene G. Hoyt, Deputy Director
Mr. Melvin Rottenberg, Manpower Specialist
Dr. Harold Morse, Education Specialist
Mrs. Barbara Casey Ruffino, Education Specialist
Mrs. Donna Collins, Research Assistant
Mrs. Joanne Warne, Research Assistant
Mrs. Kathleen Gujral, Administrative Assistant
Miss Geraldine Thompson, Clerk Typist
Mrs. Brenda Brown, Secretary
Mrs. Patricia Douglas, Secretary

CONSULTING TEAM MEMBERSHIP:

PLANNING

Dr. Charles Nix, Associate Commissioner of Education, Texas Education Agency
Mr. Warren Hitt, Deputy Commissioner of Education, Texas Education Agency
Dr. Walter Howard, Associate Commissioner of Education, Texas
Miss Dorothy Davidson, Director of Program Development in the Office of Instruction & Teacher Education, Texas Education Agency
Miss Virginia Cutter, Director of Planning, Texas Education Agency
Dr. Lowry Bennett, Director, Oregon Total Information System

EARLY CHILDHOOD CONSULTANTS

Dr. Carol Rubow, Professor, University of Arizona

Barbara Clay, Early Childhood Consultant, West Virginia Office of State Federal Relations
Dr. Minnie Berson, Fredonia State College, New York

OCCUPATIONAL EDUCATION & INFORMATION

Dr. Robert Worthington, State Director of Vocational Education, State of New Jersey

EDUCATIONAL MANPOWER CONSULTANTS

Dr. Ray Maul, Former Research Director, National Education Association
Dr. Patrick Carlton, Director of Educational Research, New York University
Dr. Salvatore Corrallo, State University of New York at Buffalo

SYSTEMS AND PLANNING CONSULTANT

Dr. Richard Powers, Professor, Operations Research, American University; former Director of the Center for Technology, American University

SUMMARY AND RECOMMENDATIONS

THE PROBLEM

The President's Council of Economic Advisors attributes more than half the growth in the gross national product to increasing investments in education. Appalachia's investments in education continue to lag behind those of the rest of the nation. Although the region has cities, half its population is rural. The report of the President's Commission on Rural Poverty, *The People Left Behind,* states, "Rural adults and youth are the product of an education system that has historically shortchanged rural people. The extent to which rural people have been denied equality of educational opportunity is evident from both the products of the educational system and the resources that go into the system. On both counts, the quality of rural education ranks low."

This is descriptive of Appalachia, but not because of lack of effort. Critics of the Appalachian States point out that if property taxes in support of education were raised to levels comparable to the national average, about one billion additional dollars in revenues would flow in. They say that this would be sufficient to meet the estimated annual gap of $363 million between Appalachian States' per-pupil expenditures and the national average.

Although property taxes may be lower in Appalachia, the percentage of per capita income devoted to education is higher than the average for the rest of the country. Unfortunately, equality of effort does not yield equality in expenditure patterns. While Appalachia expends a higher percentage of its income on its pupils, Appalachian children still have almost $200 less per year spent on their education than the average pupil in the country; their teachers receive $2,000 less per year.[1]

Other input measures of educational effort display similar disparities. It is estimated that in order to equal the national average per-pupil expenditure in education, the southern Appalachian States would, in some cases, need to double the percent of income devoted to schools. These States, on the average, are devoting a larger percent of total State and local budgets to education than are most other States. Per-pupil expenditures have risen from an average of $337.00

1/ U.S. Office of Education, Digest of Educational Statistics, 1967 (Washington, D.C.: Government Printing Office, 1967).

in 1962 to $539.00 in 1968. Drop-out rates have slowed, school consolidations continue, and the rate of increase in teachers' salaries and college attendance is more rapid than in other regions.

Since the region is comprised, with one exception, of parts of States, it is difficult to get a sufficient amount of significant data. That which is available seems to indicate that the educational gaps are narrowing only slightly as the national educational investment increases apace.

The Appalachian school districts, however, do not have the discretionary income to supplement their State minimum foundation funds. This lack of money leads to poor school quality as indicated by: shortages of health personnel; higher drop-out rates than the national average; higher rate of failure in the Selective Service exam (18.3 percent of youths in 1966 as compared to the national average of 12.4 percent) and considerably fewer counselors in comparison with other areas of the country.

The situation is even worse when it comes to psychological services personnel. Four Appalachian States report having none, two report one in the whole State, and three States report 16 or less.

The same conditions prevail in the region's school buildings. Appalachia contains over 1,000 one- and two-room schools, more than any other comparable region of the country. In 1965, it was estimated that over 35 percent of the instructional classrooms in the U.S. built before 1920 were in the thirteen Appalachian States. To meet recommended pupil-per-classroom ratios these thirteen States would require classrooms totaling over 40 percent of school construction needs of the country.[1] Old and crowded small schools not only present a hazard to the safety of children, but also seriously inhibit the introduction of new education practices such as team teaching, ungraded instruction and other methods of increasing the freedom and individualization of instruction.

Out of these schools the region loses almost one-half of its students before high school graduation. This occurs in an age when industry is requiring more and more education beyond high school for employment.

With the advent of Federal assistance over the last few years, the region has been increasing its share of Federal funds. However, in

1/ U.S. Office of Education, Digest of Educational Statistics, 1967 (Washington, D.C.: Government Printing Office, 1967).

most programs it receives much less. Appalachia has 9.3 percent of the population and should be receiving an even greater percent of program funds based on need. In some programs there is a decided policy in favor of urban investments, while in others distribution formulae do not adequately recognize the needs. As the region lacks planning and proposal writing capability, special purpose education programs receive many fewer proposals from the region than anywhere else in the nation. Lacking basic supportive services, schools cannot be sufficiently concerned with "innovation" to compete in the national arena for innovative programs. More about this will be discussed specifically in the Federal programs section of the report.

How did we get here? Resources available were always too limited, always lagging behind. The region exported much of its leadership over the years so that although it had only 9.3 percent of the national population in 1960, it had 13 percent of its functional illiterates. As the U.S. Commissioner of Education announces a national "moon shot" program to cure illiteracy, poorly educated Appalachian parents produce children who go through poor schools and drop out. Those who stay get little from their schools and therefore vote them inadequate resources. The cycle continues.

RECOMMENDATIONS

Given the enormity of the need, what is the role of the Appalachian Regional Commission? It cannot suggest that it will build all the buildings, buy all the equipment, raise teacher salaries or train the estimated 1,720,000 people in the region who need work or better jobs. It must limit itself to economic investment and better utilization of existing resources. Its character must not be to plead poverty, but offer opportunity.

Over the last four years the ARC has made a substantial capital and equipment investment in the region. It has made $42,000,000 in basic vocational grants and added $30,000,000 of supplemental funds to build and equip area vocational schools. For the last three years it has been building a cooperative mechanism specifically for education planning and development among the States which is integrated into the overall Commission planning.

The Commission has been spending an average of 57 percent of its supplemental funds to stimulate education projects. These range from higher education facilities to expand the region's program offerings, to multidistrict supplements of NDEA Title III for school equipment and materials. Some Appalachian school districts have trebled and quadrupled their materials and equipment buying power

for a small fraction (20%) of additional costs. Many have been better able to modernize their curricula to make them more competitive in the 1970s. Total ARC investment in education to date has been $121,543,387.

But capital and equipment investments are not enough. There must be a continuing comprehensive program of action.

It is the sense of the Committee that a planned, balanced and integrated system of capital and program investments is essential for regional educational development. It is of equal importance that these investments be made over a sufficient period of time to ensure a lasting impact and continued State, local and Federal staff and problem support.

The strategies and organizations recommended are tailored to the region's problems, but could easily serve as a model for similar national programs. Region by region priorities would differ. The problems these investments are directed toward are too critical to the region and the nation to be ignored. Whatever the successor to the ARC after 1971, however, it should undertake not only these investments but also continue the demonstrably successful cooperative local, State and Federal planning and management organization the ARC has developed.

1. **It is recommended that the Commission and its successor continue and expand program development efforts in education until 1975.**

Despite excellent ARC capital program efforts, the design of an integrated program for educational development began two years after the inception of the Commission. Cooperative planning efforts are beginning to bear fruit, and it would be negligent not to reinforce a process that is beginning to show meaningful improvements.

While Commission capital and equipment investment programs in education have been effective, they must be focused more and accompanied by other types of investment on a planned basis. Given demonstrable and continuing capital needs proportionately higher than in the rest of the nation:

2. **It is recommended that the Commission and its successors continue their capital investment efforts in the region's educational system, but that it couple these with an integrated investment program in human development.**

One type of program is needed to complement the other. From modest human development program investments in 1970 investment patterns in education should be shifted until the bulk of investment is in human resource programs. An estimated minimum of five years will be necessary to integrate both programs, and to show significant effects in assisting the States to develop more equitable and efficient patterns of service for their Appalachian children.

The importance of investment in coupled capital and human development programs for regional development can be emphasized by showing the percent of return on investments in education as a contribution to economic growth. The average estimates of the rate of return on a dollar spent on education shows that elementary education returns about 40 percent,[1] high school 14 percent, and college about 9 percent.[2] Stated in a different way: "...investments in physical capital are likely to be abortive unless they are accompanied by **substantial investment** *(ours) in human resources...in the education training, and mobility of the workers* who must combine with physical resources to produce regional growth."[3]

The major single symptom of education malaise identified by the Advisory Committee was the fact that in 1960 almost 71 percent of the children entering first grade left school before high school graduation. While outmigration accounts for a significant percentage, this rate was still almost 30 percent higher than the national average. More recent data for the sixties indicates improvement but a loss rate still 20-25 percent higher than the national average. This loss rate results in undereducated and underskilled youth continuing to swell the welfare and unemployment rolls in the region and in the urban areas to which they migrate. This continues to exacerbate a serious national problem.

The ARC has agreed that the priority points of intervention lie in:

A. **Child development and early childhood education (prenatal through grade 4 or age 10)**

1/ Theodore W. Schultz, "Education and Economic Growth." Social Forces Influencing American Education, ed. Nelson B. Henry (Chicago: University of Chicago Press, 1969), Table 18.

2/ Gary S. Becker, Human Capital (New York: National Bureau of Economic Research, General Series, No. 80, 1964), p.1.

3/ Retraining and Migration as Factors in Regional Economic Development, Industrial Relations Research Institute, (Madison, Wisconsin: The University of Wisconsin, 1966), Gerald G. Somers, Project Director.

B. **The restructuring of all school curricula to greater occupational relevance to provide career orientation and work experience as early as possible, but with emphasis on grades 7-9 where the highest drop-out rates occur**

C. **The provision of greater job-relevant opportunities for training from high school through adult programs**

D. **Special planning, funding and technical assistance to develop a system of multijurisdictional regional agencies both to provide basic services to groups of small districts and to develop model programs in the priority areas above**

E. **The development of educational manpower for the improvement of the quantity and quality of teachers**

F. **Comprehensive statewide planning to develop, manage and coordinate educational activities.**

The key provisions are in educational development planning and creating systems of regional service agencies. Through these major vehicles other priorities can be developed on a model basis. State planning needs to be encouraged so that combinations of school districts or regional education agencies can be created to develop and implement early childhood education programs, vocational information curricula, vocational technical programs and improvements to the quality of education manpower.

3. **It is therefore recommended that the Commission allocate funds to begin developing planning and regional agency proposals in fiscal 1970 and that new legislation to provide continuing support be sought for these programs beginning in 1971 and lasting through 1975.**

Planning - Education is the only area of major national concern which does not have funds specifically allocated for planning. Title V of the Elementary and Secondary Education Act (ESEA), which provides funds to support strengthening of State Departments of Education, lists planning as one of 14 objectives to be supported. Chronically low salaries and inadequate human resources have limited many Appalachian States to "putting out fires" on a current basis. With the advent of Federal legislation, funds under Title V ESEA have been almost entirely absorbed by accounting, technical assistance, evaluation and reporting requirements generated by these new programs. A central planning capability must be developed in order to manage and coordinate development and program activities.

4. It is recommended that the Commission assist the States in developing long-range educational planning capability at all levels of education by providing funds to generate five-year development plans and the necessary organization to up-date these on a regular basis.

Although planning should be done for the Appalachian area of each State and be focused on the six ARC prioritites, in order to coordinate all human resources:

5. It is recommended that such planning be integrated with the statewide planning processes not only in education but in health, manpower and social services.
6. It is recommended that there be established in each State for planning, coordinating and administration of human resources programs a Human Resources Development Council, or some similar continuing body. The Council should have representation from all human resources agencies including chiefs and chief planning officers of at least:
   A. The Office of the Governor
   B. State Education Officer
   C. State Higher Education Officer
   D. State Health Officer
   E. State Welfare Officer
   F. State fiscal and other related functions and any other related agency personnel.
7. It is recommended that this Council be convened by the Governor and meet regularly, at least four times a year, to formulate State human resource program direction, and that central staff support to the Council be provided by State ARC and central planning offices, as well as agency planning groups.
8. It is recommended that the Commission begin by providing resources necessary to add at least one person to State ARC staffs in 1970 with educational planning expertise.
9. It is recommended that the Commission or appropriate agencies allocate at least $500,000 per annum between 1971 and 1975 to be divided among the States by existing ARC formulae for this purpose.

Cost For The Years 1970-75 Would Be (In Thousands):

1970*	1971	1972	1973	1974	1975	Total
$250	$500	$500	$500	$500	$500	$2,750

Detailed recommendations for procedures, processes and alternative sources of funding will be found in *Report I, Planning.*

Regional Education Service Agencies - With a dispersed rural population, Appalachian school systems lack the fiscal and student base to provide even the most basic educational and support services. One answer is school consolidation, but rough terrain and poor roads limit this. An alternative solution has been found in other States, notably New York. Rural districts associate to combine their resources and pupils to provide such services as remedial education, classes for the physically and mentally handicapped, health services, curriculum materials centers, administrative services, etc. This effort will, in most cases, require State assistance since a large number of Appalachian school districts are already expending the maximum allowed because of tax limitations. Seven Appalachian States are currently in various stages of planning for such agencies.

10. **It is recommended that the Commission develop a regional education service agency program to enable the States to develop pilot model agencies for replication throughout the State.**
11. **It is recommended that $350,000 be allocated in 1970 for one model agency design in each State within existing local development districts.**
12. **It is further recommended that legislation should be sought in 1971 to permit program development through 1975.**
13. **It is recommended that such agencies have formal arrangements with one higher education institution to develop models for cooperative development of educational manpower.**
14. **It is also recommended that maximum emphasis in agency planning and program development should be upon the provision of basic services to the children of participating districts and development of programs to meet priority area needs.**

*See Recommendation No. 35.

Recommended Program Levels Would Be (In Thousands):

1970*	1971	1972	1973	1974	1975
$325	$2,000	$7,675	$16,750	$20,780	$20,780

Total Five-Year Cost: $68,335

15. **It is recommended that beginning in 1971 the proposed regional agency program include overhead provisions to provide for planning, evaluation and data acquisition. Beginning in 1973, it will include overhead for the development of regional educational management information systems. Detailed recommendations will be found in *Report II, Regional Education Service Agencies.***

Early Childhood Education Programs - Much evidence exists that children, particularly of disadvantaged families, can and should start school younger and receive remedial services that enable them to compete both physically and mentally. In some parts of the region 65 percent of first grade entrants failed and were held over. These children either drop out or are "socially advanced" to graduate as functional illiterates, an average of five and three-quarters grades behind in attainment. Yet only five of the thirteen States in the region have even statewide kindergarten programs. The investment in such programs is considerably less than investment at the high school level even though studies indicate that investments in elementary education yield a higher return. In many of these States, less than 50 percent of the Appalachian districts have kindergartens. The Commission is focusing on development of programs for prenatal through age 10.

Only with a substantial investment in the young of the region can the shocking output of unskilled and semi-literate young people in the region be reduced.

16. **It is therefore recommended that the development of child development with strong early childhood education programs be a priority for planning and regional education service agency activities.**

A major inhibition to the development of such programs has been inadequate facilities and lack of specialized personnel.

*See Recommendation No. 35.

17. **It is recommended that continued planning and technical assistance services continue in 1970, and that a minimum of $2,184,000 per annum for model program operations and a one-time construction cost of child development centers of $3,250,000 be allocated beginning in fiscal 1972. This is based on a minimum of one child development demonstration and training center per regional education service agency. Operating and construction funds should be available on request to supplement the regional agency program.**

Recommended Program Request Levels Would Be (In Thousands):

1970*	1971 - 1972	1973	1974	1975
$85	$5,434	$2,184	$2,184	$2,184

Total Five-Year Cost: $12,071

This request is the minimum level anticipated and will have to be adjusted by a supplemental report. For detailed recommendations, justifications, and discussion, see *Report III, Child Development and Early Childhood in Appalachia.*

Career Orientation and Work Experience - The highest loss rate comes in grades 7-9. It is during this time in the face of new and pressing adult social demands that a young person begins to mature and questions the relevance of school. By grade 10 he is forced to choose courses which should prepare him either for college or the world of work. Most students (70%) end up in academic or general courses of study. Some apparent causes are an almost total lack of information about career and employment opportunities, economic and social considerations and a negative bias by school personnel toward less than college level occupations. The Committee feels that this problem could be alleviated by developing and installing an occupationally oriented curriculum for grades kindergarten through 10.

18. **It is therefore recommended that $7 million be allocated to one of the regional agencies beginning in 1972 to develop a model career orientation and work exploration program before grade 11.**

For detailed analysis, recommendations and justifications, see *Report IV, Career Orientation and Work Experience.*

*See Recommendation No. 35.

Occupational Education - Once provided with a rational basis for decision-making, a student must be provided with job-relevant training opportunities. The Commission has adopted a manpower policy requiring that vocational and technical investments relate to projected labor market demands locally, regionally and nationally. At the current rate of program investment, Commission investments should result by 1973 in opportunities for at least 50 percent of the region's high school students to enroll in job-relevant training opportunities. Work is continuing to up-date projections and planning in the adult and technical training needs area as well.

The region has a "Universe of Need" for training of an estimated 1,720,000 persons. Present and projected capital investments through 1971 will provide adequate occupational training opportunities at the secondary level in many Appalachian States. This should significantly decrease the outpouring of unskilled youngsters into the labor market.

The bulk of the training needs will be for adults, special needs personnel and technical training.

19. **It is therefore recommended that authority to build vocational educational facilities under Section 211 of the Appalachian Regional Development Act be continued through 1975 at present levels and broadened to provide for:**

    A. Continued construction of secondary and post-secondary facilities where merited by State plan;
    B. Residential cost of secondary and post-secondary training institutions to provide occupational training for disadvantaged students from remote areas not otherwise served;
    C. The establishment of at least one residential technical training institution per State to provide training opportunities for high-wage, high-skill, high-cost-of-training occupations for which there is great national but little regional or local demand.

There are many inequities in distribution of Federal manpower funds which severely penalize the Appalachian States, which have a total of 15.3 percent of the national need for training but get less than 10 percent of already inadequate Federal funds. Further, there is considerable need to determine methods to reach remote Appalachian adults and provide the supportive services necessary for training and job placement unavailable in these areas.

20. **It is therefore recommended that adjustments be made to allocation formulae for Federal manpower programs to reflect this "universe of need."**
21. **It is further recommended that a demonstration manpower program to explore methods of reaching, training and placing rural persons be funded at $5 million per annum for 1972-1975.**
22. **It is recommended that planning funds be used to develop and up-date projections of manpower needs in the States at all levels.**
23. **It is recommended that regional service agency programs include manpower projects and that priority for funding of capital needs for occupational training be provided such agencies under current authorities.**

New Program Costs Would Be (In Thousands):

	1972	1973	1974	1975	Total
Section 211	$25,000	$25,000	$25,000	$25,000	$100,000
Manpower	5,000	5,000	5,000	5,000	20,000
Totals	$30,000	$30,000	$30,000	$30,000	$120,000

Total separable cost: $120,000

24. **It is recommended that the States use planning and demonstration funds to assist in developing State-supported manpower programs of their own, as has been done in Ohio.**

For detailed analysis, recommendations and justification, see *Report V, Occupational Manpower Needs.*

Educational Manpower - In order to develop programs in the priority areas, new staff and personnel to provide services must be trained. Emphasis is needed on systems and programs to train and retrain:

A. Teachers of modern occupations for which no formal or assured sources of supply currently exist;
B. Early childhood educational personnel. With increased national and State emphasis in the area, the inhibitions to program development are clearly underlined by the fact that one Appalachian State has only 79 people trained in teaching at this level, and fifty of those are in two counties;

C. Occupational guidance personnel. The region has few counselors available, and the bulk of them are at the high school level and too often oriented only toward college placement;

D. Paraprofessionals. The student-teacher ratio in the region is higher than the national average. With lower salaries, low teacher mobility and scarce human and fiscal resources, the Appalachian region must depend heavily on ensuring a supply of "aides" to gain better use of its professional staff;

E. In-service training of existing and instructional and administrative staff. Low teacher mobility, advanced age of school personnel, lack of supervisory support and little opportunity for self development emphasize a major need to better link the numerically greater higher education resources of the region with the school staffs that provide them with students.

There are three separate major components to this priority. Since most of the mechanisms for staff development are within the purview and capabilities of higher education institutions, separate planning must occur for their involvement with the regional education service agencies in the State.

25. **It is recommended that a separate allocation of $250,000 be made beginning in 1970 through 1975 to assist in developing educational manpower plans for each State, defining the responsibility of higher education for staff development with school districts and developing programs for scarce supply human resources personnel of all types. Such planning should be coordinated by the central State planning agency with all other educational planning.**

As a second component:

26. **It is recommended that model sets of relationships be developed between regional education service agencies and participating school districts with one higher institution to meet districts' in-service training needs.**

This would be for purposes of school district staff development, technical assistance and development of programs focusing on the peculiar needs of the rural Appalachian child. Additional emphasis should be placed on supporting the Commission's Youth Leadership Development Program through the use of students in supervised community development activities. Funds should be sufficient for the development of such model systems at current program levels.

A third component should be development of assured sources of supply for new educational manpower to support the priority needs for early childhood, teachers, paraprofessionals, occupational counselors and teachers of modern occupations. This is a purely higher education function that cannot be met by regional service agencies.

27. **It is recommended that two demonstration preservice training centers to serve the southern and northern parts of the region should be established to adapt or develop model programs in these areas and work through State planning mechanisms to install and transfer such programs first to higher education institutions participating with regional service agencies and then consortia of other institutions within the Appalachian States.**

28. **It is recommended further that such centers adapt or develop specialized preservice curricula involving a maximum amount of field experience to deal with the special problems of the rural Appalachian child.**

29. **Lastly, it is recommended that such centers assist in developing a placement mechanism for students from outside the region in professional work experiences in education within the regional service agencies, settlement institutions and other cooperating education groups.**

Total Separable Cost of Educational Manpower Program (In Thousands) Would Be:

1970*	1971	1972	1973	1974	1975	Totals
Planning						
$250	$250	$250	$250	$250	$250	$1,500
In-Service Regional Agencies						
	(*)	(*)	(*)	(*)	(*)	
Preservice Development Centers						
$50	$500	$2,000	$2,000	$2,000	$2,000	$8,550
					Grand Total	$10,050

For detailed recommendations, justification, analysis and discussion, please see *Report VI, Educational Manpower.*

*See Recommendation No. 33.

Summary - These recommendations should be taken in their entirety since each piece of the system depends upon each other piece. Taken all together, they should do much to assist the States in improving the education and supportive services to children in rural Appalachia. In all cases programs are designed to ensure maximum State design and participation with the intent of assisting the Appalachian States to develop their own capabilities for support after program termination. Both the Governors and responsible State agencies must take an active part in the development and implementation process. Given the careful attention taken in the past two and one-half years to encourage State participation in the planning process, the mode and source of funding for this integrated system of programs for educational development is extremely important.

It might be mentioned that all State-ARC efforts in cooperative planning have been without any ARC program support other than capital equipment programs. The States have created cooperative planning committees to serve as program development mechanisms which could and should be turned into program policy and management groups.

30. **It is recommended that authorities sought through 1975 should adopt existing cooperative planning committees and central State planning offices as an integral part of their operations. Suggestions for amendments to other Federal agency programs to do this are made in detail in the supportive papers.**

One more important consideration is Section 214, supplemental funds for construction and equipment, currently operating through Appalachian Regional Development Act authority until 1971. In annual budget projections for this program, educational demands alone could usefully exhaust all of these funds in the next year. In education alone the support provided is critical to supplement priority needs.

31. **It is recommended that in 1970 and 1971 Appalachian State offices concentrate on the development of supplemental educational projects, for example, supplementation of Titles I and III ESEA for equipment or construction purposes relating to early childhood centers or regional service agency needs.**

The staff has developed a manual of supportable programs with suggestions as to how Section 214 funds could be used to promote priority development.

32. **It is further recommended that Section 214 authority be extended to 1975 by ARC or its successors at a program level sufficient to provide equipment and construction support in the major priorities identified. Total needs are not currently estimated and depend on other future program support requirements.**
33. **It is also recommended that adequate education staff be provided as a permanent part of the Commission, and that staff support should be provided through Commission administrative funds through 1971. Whatever the successor to the Appalachian Regional Commission may be, it will require adequate staff support for program development and operation.**
34. **It is lastly recommended that all funding sought be "no year" money (i.e., no requirements to commit all funds each year) through the program life to assure maximum efficiency and continuation of effort.**
35. **It is therefore recommended that priority be given to funding regional service agencies, early childhood and preservice center programs, in that order, from funds available.**

With these program tools in hand and a shift in emphasis toward human development programs, the Commission's successors should be able to make an even more significant impact on the regional economy in the next five years. Five-year programming and budgeting plans are already integrating cooperative plans for joint health, education and capital investment programs. Child development programs are being developed, and the early childhood program here proposed is designed to be no more than the educational component thereof. (See Appendix C.) Central State planning offices and State agencies should make their best efforts to coordinate other available Federal program funding to maximize investments. The two key elements in this program are State planning and regional education agencies with State-designed program support tailored to State needs. Integrated human development programs are the next logical step and should provide the models for a future national regional development program.

NOTE: Subsequent to the Education Advisory Committee meeting, meetings have been held with State Committees in Mississippi and Kentucky. While approving the recommendations, both States strongly recommend to their Governors that school facility needs are so great as to warrant either ARC's seeking program support or working with HEW to secure special help. Classrooms are

overcrowded; many facilities are decaying and even dangerous; most are in such a condition as to strongly inhibit the development of new programs and good educational practice. In the southern States it was strongly felt that new facilities unidentified as to social character would considerably hasten the massive integration problem with which they continue to be faced.

CHART I

Proposed Program Summary
(Currently unauthorized cost only)*

Priority	'70**	'71	'72	'73	'74	'75	Total
1. State Planning	$250	$ 500	$ 500	$ 500	$ 500	$ 500	$ 2,750
2. Regional Agencies	350	2,000	7,675	16,750	20,780	20,780	68,335
3. Early Childhood Planning Centers	85	(1)	(1)	(1)	(1)	(1)	85
Construction	(2)	(2)	3,250	(2)	(2)	(2)	3,250
Operations			2,184	2,184	2,184	2,184	8,736
4. Occupational Information	(1)	(1)	7,000	(4)	(4)	(4)	7,000
5. Occupational Education							
Construction			25,000	25,000	25,000	25,000	100,000
Manpower			5,000	5,000	5,000	5,000	20,000
6. Educational Manpower							
Planning	250	250	250	250	250	250	1,500
In Service	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Preservice Centers	50	500	2,000	2,000	2,000	2,000	8,550
TOTAL	$985	$3,250	$52,859	$51,684	$55,714	$55,714	$220,266 (3)

*Numbers are in thousands. **Source: ARDA, Section 302

1. Included in costs of Regional Agency Program.
2. Potential use of supplemental funds.
3. Not including 214 supplemental funds estimated at $40,000,000 per year from 1972 1975 for a total of $160,000,000 and a grand total of $380,206,000.
4. The $7,000,000 is a total estimated development cost from 1972 through 1975. Funds should be made available as needed.

FEDERAL PROGRAM RECOMMENDATIONS

The Commission is directed by Section 102 (3) of the Appalachian Act to "review and study in cooperation with the agency involved, Federal, State and local public and private programs and, where appropriate, recommend modifications or additions which will increase their effectiveness in the region." This section is devoted to an examination of priority-relevant Federal education programs and their potential effect on the region. Issues divide roughly into three categories:

A. Issues of inequity of Federal distribution of funds penalizing Appalachian regional education.
B. Issues of program coordination. These range from working with other agencies in an attempt to get special project funding necessary to support major ARC development investments to trying to get agencies with overlapping authorities to remove or waive program restrictions which inhibit concerted investments.
C. Issues of Administration and Congressional proposals which affect the region.

Without attempting an analysis of the welter of overlapping Federal legislation in support of education in the nation, it is the attempt of this section to make a number of general observations and recommend issues for Commission support. In the main Federal education programs suffer from four major deficiencies.

A. Some programs represent a series of major compromises which resulted in legislation so general as to make it difficult to use the funds to meet State or local priorities. For example, there is the landmark Elementary and Secondary Education Act, particularly Title I, which is a major breakthrough in Federal support for education. Despite its major accomplishments, the number of children qualified to participate has continued to rise to the point where the investment on a per-pupil basis is insufficient to make significant impact. Many critics say that the appropriations are insufficient. Yet this ignores the fact that investments at an early age yield a much larger return on investment than the partial support of the much higher costs of remediating problems later on. Districts must serve their disadvantaged children, whatever age, by law, and could not if they chose concentrate their investments on early childhood, or mentally retarded, or whatever their special problems may be.

B. Legislation may be too special-purpose to be useful at the local level—for example, Title III ESEA which supports centers for innovation. In Appalachia, as elsewhere, Title I is insufficient to meet the needs of disadvantaged children. While Title III is extremely useful, the region needs centers to support joint purchasing of basic services. Yet it must use Title III to innovate, which has been defined essentially as that which has not been done before somewhere in the nation, not in the locality or the State. Another example is part B2 of Title V of the Higher Education Act of 1965 (the Education Professions Development Act) which allocates funds to develop programs to attract qualified persons back into teaching. A worthwhile idea for New York City, but such people have long departed from rural Appalachia.

C. The lack of planning and coordination of funding is slowly being changed by Congressional action. In education a further problem is that the Congressional funding cycles are different. The two-year funding provision for Title I ESEA only in 1969 had lapsed, and again schools had to try to establish programs well after the school year had begun. Poor districts do not have the resources to carry personnel or compete for new ones without assurance of continued Federal support.

States have been given limited administrative overhead for specific authorities. This tends to build service organizations at the State and local level responsible to a single program, serving as its constituency and jealously guarding its particular domain from other similar programs. The accumulation of such authorities creates empires at all levels of government which impede coordination and concerted investments of funds. One visible symptom of this problem is that State plans increasingly required by Federal education statutes seldom do more than adopt the Federal law for each State. Few, if any, reflect other acts or other agency roles.

Bureau of Budget Circulars A85, A70 and A95 recognize this problem. One recommended solution is a single grant to States to cover all common overhead items required by the many Federal programs. If implemented, this could create considerable flexibility and savings in the States. Failing the provision of all program overhead allotments as one lump sum payment, attempts have been made to get additional

funds for planning and program development. This provision (Title V ESEA, Section B, in the 1967 version of the act) was not passed.

D. An extremely serious problem is the overlapping of authorities and jurisdictions. It is currently impossible to launch a concerted child development program in the nation, much less in Appalachia, since the 61 separate authorities in the Federal government which could provide the resources on a joint basis cannot even be identified by a State agency or local district, much less coordinated into a successful program. After a myriad of memoranda of understanding between Head Start (then in the Office of Economic Opportunity) and Title I ESEA (in the Office of Education) an Appalachian school district trying to run an early childhood program for five-year-old children had to submit two different proposals to two different regional offices, on two different dates, with two different project approval dates, and two different starting times, if either got approved at all. The same situation pertains in manpower and vocational programs. As a minor example, the Department of Labor can get excess (fairly new) equipment to run adult training and retraining courses, while the Office of Education can only get surplus (older and picked over) equipment to train the nation's young in its vocational and technical schools.

All of these problems seem to call for better planning. One solution might very well be to assign coordination and planning responsibilities to regional commissions. In this way programs could be redesigned to meet local and State needs while still reflecting major national problems.

ISSUES OF INEQUITY

In relation to the national "universe of needs" for educational services, the region is getting less than its proportionate share in almost every educational program. In many cases it is getting much less than a proportionate share based on its percent of the U.S. population. The accompanying support papers are full of detailed examples for every major program area. The roots of this problem are several. In special purpose programs, schools in the region do not know the programs, they do not have the skilled proposal writers to compete in the national arena, nor in many cases are the programs responsive to their specific problems.

This problem of inequity is true for all small, rural school districts in the nation. Small school districts, those with fewer than 5,000 students, receive about $27 per student in Federal funds, which is roughly 50 percent of the national average received per pupil. In a recent survey conducted by Howard S. Rowland, the cause was found to be twofold: 1) the administrator was ignorant of the existence of the aid program and 2) no one in the district was assigned to the specific job of making application. Those districts who employed a full-time Federal aid specialist obtained 50 percent more aid than those that did not.

In the more general programs the problems lie in the distribution formulae written into the legislation. Some major examples and recommendations tied into the priorities for Commission development include:

1) SPECIAL PURPOSE PROGRAMS

A. Title III ESEA, Supplementary Centers for Innovation. Innovation in the region is the provision of basic services. Although innovation is needed, either more Title I funds are needed or the removal of the innovative restriction on the use of Title III monies.

   Allocation might be based on more equitable Title I qualification formulae. With 8.8 percent of the national population, and more small and poor school districts than the rest of the U.S., Appalachia received less than an 8-percent share of the national funding of this title in 1969. The Appalachian States total 42 percent of the U.S. population, but received 34 percent of the national share.

B. Higher Education Act Title V, Section B, 2, Attracting and Qualifying Teachers to Meet Critical Teacher Shortages. In rural areas such personnel are simply not available. In this case encouragement to develop a State placement mechanism to help rural areas get their teachers from elsewhere with the simple payment of travel costs for prospective new teachers would probably do a much better job.

   For the last two fiscal years Appalachian States have had to return some of these funds to the Federal Treasury since program restrictions do not permit them to meet their needs.

C. Higher Education Act Title I, Community Services. This is too general to be useful in the region. Its major program emphasis seems to be on police training—something much needed in urban areas. Rural institutions do not get a proportionate share of grants, and yet they could easily use this provision to provide extension programs, consumer economics and other services for local school districts and their communities with State and Federal direction.

Although Appalachia has more higher education institutions per capita than comparable regions in the country, it received only 7 percent of the national funds under this title. A major cause has been ignorance of the program, few skilled "grantsmen" and thus fewer applications.

D. Higher Education Act of 1965, Title III, Strengthening Developing Institutions. Initial intent seemed to have been to strengthen Negro institutions. However, initial language was so vague as to promote a proposal from Harvard University! This problem has since been solved in part, but despite some excellent Title III projects in the region it is getting only 13 percent of the total funds available. One-half of these are in the wealthier industrial States.

The region has many small colleges, many of which can only marginally deliver basic educational services to their students. Some of the best regional projects have been those changing college curricula to provide remedial experiences for disadvantaged students plus cooperative experiences in community work and industry. Encouragement of this type of program would greatly broaden the horizons of the Appalachian student and his college.

A number of other special purpose programs provide a less than adequate share to Appalachian schools and colleges. For example, 4.2 percent of 1969 funds for Part C of the Education Professions Development Act (HEA V) went to Appalachia for teacher fellowships. Of this small share one-half went to three urban institutions, and one-half was in Pennsylvania. Part D of this same act spent only 8.6 percent of its funds in the region for programs to up-grade public school teachers. By the special efforts in 1969 of both the U.S. Office of Education and Appalachian Regional Commission, the region received grants totaling 12 percent of the special Career Opportunities Program under this title. Still this share is too low. This is for a region where 25

percent of the teachers have never had in-service training, when another 49 percent feel that the training they received was inadequate to cope with their children's special needs and where one State reports an average teacher age of 57!

At the public school level Appalachian districts get less than 6.5 percent of equipment funds under Title III of the National Defense Education Act and less than 5 percent of the funds for guidance, counseling and testing under Title V A of the same act. Again the problems seem to combine need for knowledge of such legislation, need for technical assistance in preparing proposals and, in some cases, lack of matching funds. Such aid tends to be too special and too limited in amount to justify the tremendous efforts small Appalachian schools and colleges must make to get it.

2) GENERAL PROGRAMS

A. The most glaring inequity lies in Title I of the Elementary and Secondary Education Act. The inequities lie in the distribution formula which provides the largest grants to those States with the greatest resources. Within the States distribution of these monies to school districts is done on the basis of a straight disadvantaged-pupil count regardless of resources of the districts. Wealthy districts provide more special services so that a disadvantaged child in a wealthy district is comparatively much better off than one in a poor district.

Under the current formula a disadvantaged child in a wealthy New York State district would in 1970 receive $506 Federal aid on top of some $1,200 his district now spends. In a poor Mississippi district this child would receive $306 Federal support. Total support for the New York child in a wealthy district would reach $1,750 per year, while the Mississippi child would receive $530! Not only is this inequitable, but it contravenes all the cost-benefit analyses in education which indicate that the largest return on investment comes from larger investments in poor districts, rather than proportionately smaller investments in rich ones.

In 1970 ten Appalachian States received one-half the national average per-pupil expenditure per child, and only three exceeded it. The following charts show State rankings in 1969. Those States that have the most need received the least money. Within States, Appalachian districts have lowe

per-pupil expenditure than the State averages, so that the Federal dollar is even less equitably distributed.

36. **It is recommended that the Commission take whatever steps necessary to secure review and more equitable distribution of Title I funds. Formulae should recognize total and States' efforts and abilities to pay based on per capita income.**[1]

B. The Manpower Development and Training Act of 1962. Distribution formulae in this act severely penalize the region.

37. **It is recommended that the ARC take whatever steps necessary to secure amendments of this act to base distribution of funds on a "universe of need" criteria.**

Appalachia, with 15.7 percent of the training needs of the U.S., received less than 10 percent of the Federal apportionment. Further the supportive services necessary for good training programs are simply not found in rural areas, thus disqualifying many rural proposals in advance. Some extra allowance for the provision of such services should be made.

C. Student Financial Aid Programs. There are five of these at the undergraduate level: Economic Opportunity Grants, National Defense Student Loan Program, Guaranteed Student Loan Program, College Work Study Program and the National Vocational Student Loan Insurance Act of 1965.

"Packaging" these together to meet a poor student's needs is a nightmare for a student financial aid officer. Although analysis has not been completed, it is apparent that both the Appalachian States and their most worthy institutions are getting far less than their "universe of need" would indicate. Costs of higher education to the Appalachian student are somewhat lower than the rest of the country, but in many cases this is because of subsidies from already disadvantaged States. Of the five acts only one allocates its money on the basis of percentage of disadvantaged students in a State. All the rest base distribution on total student population. In institutional review within a State no weight is given to institutions with a high proportion of disadvantaged

1/ See Appendix A for suggested formulae.

students that are trying honestly to serve an unmet need. Distribution of funds is purely on the basis of total enrollment so that a large growing institution with high entry standards and few disadvantaged students will receive considerably more financial assistance funds than a small stable institution with a high proportion of disadvantaged students.

38. **It is recommended that the Commission take whatever steps necessary to support Administration changes in the distribution formulae of the aforementioned student financial aid programs to make distribution of funds more equitable.**
39. **It is recommended that funds be distributed to the States on a "universe of need" basis reflecting their percentage of disadvantaged students, and that criteria be established within States for distribution of funds to reward institutions showing efforts to serve the disadvantaged population.**

ISSUES OF PROGRAM COORDINATION

The Commission has been at its most effective in many program areas in coordinating interagency investments. The Federal Cochairman, the States' Regional Representative and the Executive Director have served as excellent proponents for the region in the past, and it is expected they will continue to do so.

The two major problems both in the region and nationally are possible to coordinate only through legislative action. The first is the child development problem mentioned earlier. This is acute.

40. **It is recommended that the Commission take necessary steps to indicate its support on a national child development program consolidating the various authorities necessary to provide the resources to concentrate investments on this national and regional problem.**
41. **It is further recommended that the ARC make all necessary efforts to develop models for such coordinated support through its proposed child development programs.**

Analysis of some of the acts affected will be found in *Report II, Child Development and Early Childhood Education in Appalachia.*

The second problem is less acute, but lies in the gray area between the Department of Labor and U.S. Office of Education and a mass of

Appalachia's Comparative Share of Title I E.S.E.A.

	Number of children (5-17) in families less than $2,000 income	State Rank	Title I ESEA per child amount allocated to each State. Nat'l average $154 per child	1969 State Rank
ALABAMA	242,522	4	$140.81	40
GEORGIA	239,789	5	$141.31	38
KENTUCKY	193,559	11	$137.40	47
MARYLAND	53,716	25	$140.46	42
MISSISSIPPI	254,903	3	$141.21	39
NEW YORK	200,060	10	$206.80	2
N. CAROLINA	323,096	2	$141.97	34
OHIO	151,895	14	$137.40	48
PENNSYLVANIA	175,394	12	$153.98	22
S. CAROLINA	206,638	7	$141.65	36
TENNESSEE	220,048	6	$141.44	37
VIRGINIA	167,874	13	$140.52	41
W. VIRGINIA	106,406	19	$131.96	49

specialized manpower programs (some on loan from the Office of Economic Opportunity). A broad national authority and a definitive manpower policy based on national projections is needed to provide a firm underpinning for education and manpower policy.

42. **It is recommended that the Commission indicate its support for funding of the Vocational Education Act of 1963 as Amended in 1968, Section 103 (a) (1), which provides monies to develop "national, regional, State and local studies and projections of manpower needs for the use and guidance of Federal, State and local officials, and of advisory councils charged with responsibilities under this title." This data in usable form, updated on an annual basis, will provide at least investment information not currently existent for these programs and the State-coordinated area manpower planning systems.**

ISSUES OF NEW LEGISLATION AFFECTING THE REGION

43. **It is recommended that the Commission urge full funding of Title VIII ESEA, Section (b) (2), providing funds for counseling, technical assistance and proposal-writing services for districts in rural areas. This provision is much needed.**

The Commission represents an area with few military bases and gets an extremely small proportion of national payments under P.L. 815 and 874. There is currently proposed legislation and a study undertaken to provide extra benefits under P.L. 874 II (which is Title I ESEA) to children in public housing projects. If such benefits were to come from current appropriation levels, they would aggravate current inequities in distribution even further, as the region has little public housing.

44. **It is recommended that the Commission oppose these legislative proposals, unless they provide for more equitable distribution of Title I ESEA funds that will recognize equally Appalachian needs.**

A fairly common occurrence in the region is the destruction of a substandard school building by fire. Typically such buildings are old and either uninsured or underinsured. In the region's poor and potentially unsafe schools there are no funds to rebuild such schools, and although other aid may continue to arrive by the regular routes, there are no funds to build a school to run a program for the

district's children. This situation has been reported to the Commission at least twice in as many years—once in Pocahontas County, West Virginia, and once in DeKalb County, Alabama.

45. **It is recommended that the Commission suggest amendments to P.L. 874, Section 7, to provide for relief in cases of this kind.**

A comparable problem occurs in cities damaged by riots.

The necessity of Commission investments and existing Federal programs cannot be overstressed. In the accompanying reports, recommendations are made in detail concerning alternative and supplementary sources of funding for programs in each of the priority areas.

46. **It is recommended that the Commission take all necessary coordinating steps to ensure that project proposals from regional service agencies get priority consideration as part of a concerted development effort. Program development efforts will depend on as much additional support as possible.**

There has been increasing testimony to the effect that lack of continuous funding for human resources (other than capital) programs has seriously impaired their impact. This penalizes small, poor districts more than larger wealthier ones since they do not have the resources either to hire new staff or continue present staffs while waiting for Federal program funds.

47. **It is recommended that the ARC take all steps necessary to encourage "forward funding" of priority-relevant educational programs.**

48. **It is further recommended that ARC action be taken to assist and encourage "packaging" of such programs to meet local, State and regional needs.**

The question will be raised, "Why should the Commission engage in educational program development when so many Federal authorities exist which properly coordinated might meet the same ends?" This and previous sections of the report have attempted to show that only a coordinated investment approach based on State and local planning capability and direction can provide any real assistance to State assumption of responsibility for development. If the programs are not tailored to State and local needs, then States do not want to

assume development responsibility, and programs have little chance of success. This is particularly true in Appalachia where it has been shown that Federal programs tend to discriminate against both the States and their institutions.

National programs are for national purposes, and their coordination for regional development is at best difficult if not inhibiting to their general purposes. Special programs are needed. Since the Commission mechanism has worked well, these proposals are simply a logical and necessary extension of the continuing and necessary work of regional economic development which should provide models for new Federal-State relationships.

APPENDIX

ALTERNATIVE TITLE I FORMULAE

The current Title I formula is a gross approach to the problem of distributing Federal money for the education of disadvantaged children. Examination of the results indicates that those States with the greatest resources receive the largest grants per pupil. The distribution of these monies to school districts within a State is decided on the basis of a straight pupil count regardless of the comparative tax resources of the districts. Investigation of the situation on a State-by-State and district-by-district basis indicates that those agencies with the greatest resources provide the largest number of specialized services to children. It is true that these are not provided on the basis of poverty, but it is also true that a child with educational disadvantages is much better served if he lives in a comparatively wealthy State or district.

For instance, in New York the northern tier of counties, those bordering on Canada, are poor counties by any definition. However, by means of the Boards of Cooperative Education Services (BOCES) remedial teachers, special education and other services of many kinds are provided by a combination of State and local money. This was done years before the ESEA act was enacted. It has been shown that a higher percentage of children of the poor require these programs than those children whose parents are in a better financial condition.

The problem is, therefore, to devise a formula which will (1) provide all children with equal access to the quality education they need to give them an equal chance with children from a more favored environment and (2) be politically acceptable to all States.

The following formula will satisfy, in part at least, number 1 above, ability to pay.

The simplest measure of this factor is to establish the personal income of each State. Some authorities argue that all States do not tax the income of its citizens and that, therefore, the ability measure should be related to the resources that they do tax for their income. These resources vary so much from State to State that in this proposal a commonalty for all is impossible. It is recommended that the ability measure be taxable personal income in the State.

All States have the cost-per-pupil figure readily available. If the cost per pupil were divided by the per capita income, a tax rate could be artificially created which would indicate the rate at which income

must be taxed to supply the level of education in a State. For instance, to use artificial figures, let us say that the per capita income in New York, as the largest, wealthiest State, is $5,000 and that the cost per pupil is $1,000. The tax rate on this basis would be 1000/5000 or 20 percent.

If the same artificial tax rate were applied to the per capita income in Mississippi, the result (if, for purposes of illustration, we say that the per capita income in Mississippi is $2,000) would be an expenditure of $400 per pupil. The same tax rate applied in Mississippi as in New York therefore would create an expenditure level only two-fifths of New York.

If it is agreed that it is in the national interest for the disadvantaged children in Mississippi to get the same quality of education as those in New York, then Title I ESEA should supplement Mississippi's expenditure by $600 per pupil.

Budgetary and political decisions would now enter the picture. It is probable that this rate of expenditure is beyond the capability of Title I to provide. A decision might therefore be reasonably made to supplement one-half of either the gross difference or one-half of the per-pupil cost in the wealthiest State. It would also be politically improbable that New York or the other wealthy States would agree to receive nothing. Therefore a flat-grant provision would need to be included in the formula. It would read:

$$\text{Base tax rate for State contribution (BTR)} = \frac{1}{2}\left[\frac{\text{per-pupil expense (PPE) of wealthiest State}}{\text{per capita income of wealthiest State } (PCI_1)}\right]$$

State contribution (SC) = BTR x per capita income of State in question (PCI_2) x number of disadvantaged children (N).

Federal contribution (FC) = $N \times [\$100 + (BTR \times PCI_1) - (BTR \times PCI_2)]$.

For illustrative purposes let us use the figures below:

Wealthiest State — New York

PCI_1 = $5,000 PPE = $1,000

$$BTR = \frac{1}{2}\frac{PPE}{PCI} = \frac{1}{2}\frac{1000}{5000} = 1/10 \text{ or } 10\%$$

$BTR = 10\%$

Mississippi

$PCI_2 = \$2{,}000$

SC (Mississippi) = $10\% \times 2000 \times N = 200\ N$

FC (Mississippi) = $N\ 100 + \left[(BTR \times PCI_1) - (BTR \times PCI_2)\right]$

$N\ 100 + \left[(10\% \times 5000) - (10\% \times 2000)\right]$

$N\ 100 + (500 - 200)$

$N\ (100 + 300)$

$400\ N$

Total for disadvantaged child in
Mississippi — FC of $400, SC of $200 = $600

Using the same formula, the wealthiest State, New York, would have an FC of $100 per disadvantaged child.

MUNICIPAL OVERBURDEN

The contention of large cities is that, since they are required to provide a multitude of more costly services over and above those necessary in suburban and rural districts, they should receive preferential treatment in the distribution of Federal funds for disadvantaged children. If there is data, and there should be, which quantifies this overburden, it should be a part of the above formula. If the study shows that large cities need to make twice the effort to provide for a proper education for these children, the State figure for N could be increased by multiplying N in large cities by 2. "Large cities" should be defined in some fashion; and, if possible, for the sake of simplification, a single multiplying factor should be established. If a single factor is found to be either factually or politically impossible, as few as possible should be used. The N for a State would be established by adding disadvantaged children in rural and suburban districts to twice the number (if two is the factor) of such children in urban areas.

If Federal funds are to be disbursed according to an equalization formula to the States, they should also be disbursed in this fashion within a State. The decision to do this is within the political sphere.

Once it is made, the question of uniformity of distribution to school districts arises. Almost all of the State aid formulae are equalizing formulae, but they do differ radically in the percent of total education funds that are provided by the State. It might be sufficient to state that such funds as come from Federal sources to a State for disadvantaged children be disbursed by the State in such a fashion that expenditures by local agencies for this purpose be equalized in terms of effort.

A control on the Federal contribution would be necessary. A requirement should be made that the State must make at least the effort indicated by the BTR. If it does not, the FC would be reduced by the same proportion that the BTR for a State is less than the standard BTR established by formula.

If it is felt necessary to include a reward for effort, over and above that indicated by the BTR, a maximum per-pupil expenditure could be established over and above the minimum. The FC could share in this increase in the same proportion as it does in the minimum program. Any expenditure over this maximum would be at the locality's expense.

The maintenance of effort by each State must be written into every proposal of this type. In the formula being used a requirement should be included that each State and locality must maintain the same or better percent of income devoted to education on a per-pupil basis as it did when the program started. In other words, the Federal funds could not be used to reduce local and State taxes.

Another procedure which can be used is to establish a percent of current effort made by each State to provide education to its children and relate that percent to the current average per-pupil expenditure for education in a State. Care should be taken to use only State and local funds for establishing the average per-pupil expenditure figure. Federal funds must not be included.

For instance, using the same reasoning as in the previous formula, if one compares effort to the wealthiest State and not to the average, the process would be somewhat like this (the figures used are not actual but are for purposes of illustration only):

New York State	3% of income devoted to education
Mississippi	4% of income devoted to education

Per-Pupil Expenditures:

New York	$1000 per pupil
Mississippi	$400 per pupil

Base Data:

3% of income = $1000/pupil

Problem: How do you supplement so that equal effort will produce comparative results on a low tax base?

Give a lump sum to Mississippi, which is required to maintain the same effort it has in the past (i.e., 4% of income), but the grant will permit the State to have $600 per pupil available for disadvantaged children.

Mississippi, according to our imaginary figures, would need to levy a tax equal to 10 percent of income in order to equal the expenditure per pupil of New York. The supplement, if it were devised to equalize the effort completely, would therefore be a sum equal to 6 percent, or the difference between a maintained effort of 4 percent and 10 percent of personal income in the State. In the previous example, one-half of the difference was used as an illustration of a budgetary and politically acceptable figure. Therefore, the aid to Mississippi would be 3 percent of total income divided by the total number of pupils times the number of disadvantaged children.

$$FS = \frac{P \times TI}{ADM} \times N$$

FS = Federal share of cost of educating disadvantaged children
P = 1/2 difference between effort of wealthiest State & State in question
TI = Total personal income in a State
ADM = average daily membership
N = number of disadvantaged children

As in the first formula, the wealthiest State would need to be the recipient of a flat grant per pupil. The formula would then read:

$$FS = 100N + \frac{P \times TI}{ADM} N$$

New York, using the above figures, would get $100 per disadvantaged child. Mississippi would get $100 plus 3 percent of

personal income per pupil times the number of disadvantaged children. N in the above formula would be adjusted to the number of disadvantaged children in big cities in the same fashion as in the first formula.

As with any formula of this type, both the basis formulae illustrated above would need to be applied to each State using the actual figures on personal income, cost per pupil, etc. in order to determine their effect on Federal aid for disadvantaged children. Revisions of the specific figures would develop for two major reasons: 1) budgetary—the total money available might be too little to do the job or too much; 2) political—it may be necessary for a "save harmless" clause to be inserted, i.e., "no State would receive less than it did in 19—" (any benchmark date found to be politically acceptable).

One of the provisions in the law as it now stands prevents the application of funds to existing efforts. For instance, current teachers' salaries cannot be improved with Title I ESEA funds. This one factor may be a major bar to improving the education of disadvantaged children. It is of no benefit to add more poorly prepared teachers or aides to help a currently ineffective teacher. In fact, this might intensify the problem in that the procedure gives more time for a poor teacher to do incorrect things. It may be that the measure suggested above, **maintenance of effort**, would be sufficient to remove this limitation.

If Title I funds were provided to a **State**, not local school districts, it should be done on the basis of an application similar to the State development plans of the Appalachian Regional Commission. This application should consist of a delineation of the problems of the State in specific form, and an organized five-year (at least) plan for solving these problems. This would ensure plans adapted to each State:

- equitable distribution to local districts since it would be required that the State plan show an equalization within the State
- expenditure of funds on the basis of a long-range plan
- effective combining of Federal, State and local funds.

There are probably as many formulae for the distribution of Title I funds as there are recipients. The above two are suggested as ways to equalize their distribution.